
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Susan L. Baker
Susan L. Baker Trustee DTD 12-18-91

Case Number: 02-07738

Names of the Respondents

Morgan Stanley DW, Inc.
Lee J. Sonko

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

For Susan L. Baker ("Baker") and Susan L. Baker Trustee DTD 12-18-91 ("Baker Trust"), hereinafter referred to as "Claimants": John T. Getz, Esq., Feldman, Dickstein & Getz, LLP, North Miami Beach, Florida.

For Morgan Stanley DW, Inc. ("MSDW") and Lee J. Sonko ("Sonko"), hereinafter collectively referred to as "Respondents": Holly R. Skolnick, Esq., Greenberg Traurig, P.A., Miami, Florida.

CASE INFORMATION

Statement of Claim filed on or about: December 18, 2002.

Claimants signed Uniform Submission Agreement: October 29, 2002.

Statement of Answer filed by Respondents on or about: February 25, 2003.

Respondent MSDW signed the Uniform Submission Agreement: February 25, 2003.

Respondent Sonko did not file an executed Uniform Submission Agreement.

CASE SUMMARY

Claimants alleged the following causes of action: 1) violation of Florida Statute § 517; 2) breach of contract; 3) negligence; 4) breach of fiduciary duty; 5) misrepresentations/omissions; 6) respondeat superior; and 7) negligent supervision and retention. The causes of action relate to investments in mutual funds, including but not limited to, Morgan Stanley Mutual Fund Information Fund B, Morgan Stanley Mutual Fund High Yield Securities B and Morgan Stanley Mutual Fund of Funds International B.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimants requested: 1) compensatory damages in the amount of \$250,000.00; 2) interest at the legal rate from

the date of purchase or reasonable market return; 3) costs; 4) attorneys' fees; 5) punitive damages; and 6) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondents requested: 1) that Claimants' Statement of Claim be denied in its entirety; 2) that Respondents be awarded their costs and expenses of this proceeding; 3) reasonable attorneys' fees; and 4) an order directing the expungement of this matter from Respondent Sonko's registration records maintained by the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Sonko did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement, but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedures (the "Code") and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

On or about March 12, 2004, Claimants advised NASD Dispute Resolution that the parties had settled the above referenced arbitration proceeding.

On or about April 5, 2004, the parties submitted a Stipulated Motion for Dismissal and a proposed Order for Dismissal of all Claims with Prejudice and Directing Entry of Stipulated Award.

On or about April 5, 2004, the parties submitted a Stipulated Motion for an Order Directing Expungement and a proposed Stipulated Award for execution by the Panel. The parties provided that as part of the settlement agreement, Baker agrees not to oppose Sonko's request for expungement of this matter from his registration records maintained by the NASD CRD.

On or about December 20, 2004, the Panel granted the Motion for Dismissal and the Motion to Direct Expungement for Respondent Sonko.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings, the Motion for Dismissal, the Motion Directing Expungement and the parties proposed Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

The Panel recommends the expungement of all references to the above captioned arbitration from Respondent Sonko's public and non-public registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Sonko must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 300.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Respondent MSDW is a member firm and a party.

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Total Member Fees = \$5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

There were no three-day cancellation fees assessed during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$450.00 per session = \$ 450.00

Pre-hearing conference: March 2, 2004 1 session

One (1) Pre-hearing session with Panel @ \$1,125.00 per session = \$1,125.00

Pre-hearing conference: July 22, 2003 1 session

Total Forum Fees = \$1,575.50

The Panel has assessed forum fees in the amount of \$787.50 to Claimants, jointly and severally.
The Panel has assessed forum fees in the amount of \$787.50 to Respondents, jointly and severally.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 787.50
Total Fees	= \$1,087.50
Less payments	= \$1,087.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent MSDW is solely liable for:

Member Fees	= \$5,200.00
Total Fees	= \$5,200.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$ 787.50
Total Fees	= \$ 787.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 787.50

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Anthony S. Paetro, Esq.	-	Public Arbitrator, Presiding Chairperson
Ronald Griffith Wilkins	-	Public Arbitrator
David L. Hodgson	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Anthony S. Paetro, Esq..
Public Arbitrator, Presiding Chairperson

May 9, 2005
Signature Date

/s/
Ronald Griffith Wilkins
Public Arbitrator

4/5/05 (s.i.c)
Signature Date

Dissenting Arbitrator's Signature

/s/
David L. Hodgson
Non-Public Arbitrator

May 5, 2005
Signature Date

May 16, 2005
Date of Service (For NASD Dispute Resolution office use only)

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Concurring Arbitrators' Signatures



Anthony S. Paetro, Esq.,
Public Arbitrator, Presiding Chairperson



Signature Date

Ronald Griffith Wilkins
Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

David L. Hodgson
Non-Public Arbitrator

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Concurring Arbitrators' Signatures

Anthony S. Paetro, Esq.,

Public Arbitrator, Presiding Chairperson

Signature Date



Ronald Griffith Wilkins

Public Arbitrator

4/5/2005

Signature Date

Dissenting Arbitrator's Signature

David L. Hodgson

Non-Public Arbitrator

Signature Date

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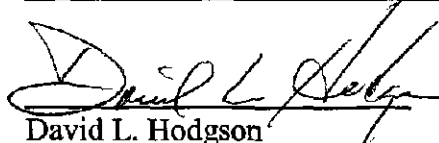
Anthony S. Paetro, Esq..
Public Arbitrator, Presiding Chairperson

Signature Date

Ronald Griffith Wilkins
Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature



David L. Hodgson
Non-Public Arbitrator

5-5-05
Signature Date

Date of Service (For NASD Dispute Resolution office use only)